

Message Text

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INFO ERDA WASHDC
ERDA GERMANTOWN MD
AMCONSUL RIO DE JANEIRO
AMCONSUL SAO PAULO

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E.O. 11652: N/A
TAGS: PINT, PFOR, PO, BR
SUBJECT: PORTUGUESE PRIME MINISTER SOARES VISITS BRAZIL

REFS: A) LISBON 8641, B) LISBON 8843

1. SUMMARY: DURING HIS SIX-DAY VISIT TO BRAZIL PRIME MINISTER SOARES MADE GOOD PROGRESS TOWARDS SALVAGING THE OLD BRAZIL-PORTUGAL ALLIANCE, WHICH HAS BEEN SUBJECT TO CONSIDERABLE STRAIN SINCE THE 1974 COUP IN PORTUGAL. THE GOB HAS BEEN WARY OF SOCIALIST PORTUGAL BUT SOARES APPARENTLY WAS ABLE TO CONVINCE PRESIDENT GEISEL THAT THE SOCIALISTS WERE THE ONLY ALTERNATIVE TO PORTUGAL'S COMMUNISTS. SOARES RETURNED TO PORTUGAL WITH A FIFTY MILLION DOLLAR LINE OF CREDIT, BUT HE WAS UNABLE TO PERSUADE THE GOB TO PERMIT INCREASED PORTUGUESE IMMIGRATION, NOR WAS HE SUCCESSFUL IN HIS BLANDISHMENTS TO BRAZIL'S CONSERVATIVE PORTUGUESE COLONY TO INVEST
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IN PORTUGAL AND IN CONVINCING NEEDED REFUGEE TECHNICIANS TO RETURN. FROM GOB SIDE VISIT OF A PROMINENT EUROPEAN SOCIALIST LIKE SOARES WILL PROBABLY AID IN SOFTENING BRAZIL'S AUTHORITARIAN IMAGE ABROAD. END SUMMARY.

2. THE TRIP: MARIO SOARES ON HIS FIRST OFFICIAL TRIP

ABROAD AS PRIME MINISTER, ENDED HIS SIX-DAY VISIT TO BRAZIL DECEMBER 22. ACCOMPANIED BY HIS FOREIGN AND DEFENSE MINISTERS, SOARES MET WITH PRESIDENT GEISEL IN BRASILIA AND ALSO VISITED SAO PAULO AND RIO DE JANEIRO, MEETING THERE WITH BUSINESSMEN AND PORTUGUESE RESIDENTS. HE ENDED THE VISIT WITH A SYMBOLIC STOP IN FORMER COLONIAL CAPITAL OF SALVADOR.

3. POLITICAL ASPECT: SOARES' MAJOR OBJECTIVE IN COMING WAS APPARENTLY TO EXPLAIN THE NEW PORTUGAL TO THE BRAZILIAN LEADERSHIP, TO ASSURE THE GOB THAT PORTUGAL UNDER SOARES WAS A VALID AND RELIABLE INTERLOCUTOR, AND TO RESTORE AS MUCH OF THE OLD BRAZIL-PORTUGAL ALLIANCE AS MIGHT BE SALVAGEABLE. THE GOB HAS LOOKED UPON SOCIALIST PORTUGAL WITH SOME SUSPICION IN PART BECAUSE BRAZILIAN EXILES IN PORTUGAL HAVE BEEN ALLOWED WIDE LATITUDE TO CRITICIZE BRAZIL AND IN PART BECAUSE CONSERVATIVE SECTORS OF THE GOB ARE INSTINCTIVELY DISTRUSTFUL OF SOCIALISTS. A PRESIDENTIAL PALACE SOURCE TOLD O ESTADO DE SAO PAULO THAT PUBLIC STATEMENTS OF CERTAIN EXILES "CONSTITUTED AN AFFRONT TO THE BRAZILIAN GOVERNMENT."

4. AFTER KEY MEETING DECEMBER 16, GOB FOREIGN MINISTER SILVEIRA TOLD PRESS GEISEL WAS IMPRESSED BY SOARES' PRESENTATION, IN WHICH PM APPARENTLY OUTLINED RECENT EVENTS IN PORTUGAL AND DESCRIBED HIS SOCIALIST GOVERNMENT AS THE ONLY ALTERNATIVE TO COMMUNIST RULE IN PORTUGAL. AS A RESULT JOINT COMMUNIQUE, WHICH HAD ALREADY BEEN DRAFTED, HAD TO BE REWORKED AND WAS ISSUED LATER.

5. JOINT COMMUNIQUE CONTAINED NO SURPRISES. IN SEVERAL LIMITED OFFICIAL USE

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PARAGRAPHS DEVOTED TO AFRICA THE BRAZILIANS AND PORTUGUESE EXPRESSED SATISFACTION AT THE ADMISSION OF ANGOLA TO THE UNITED NATIONS AND THE INTERNATIONAL RECOGNITION GIVEN THE COUNTRIES OF PORTUGUESE-SPEAKING AFRICA, IT ALSO EXPRESSED JOINT COMMITMENT TO A POLICY OF COOPERATION AND FRIENDSHIP WITH PORTUGUESE-SPEAKING AFRICA, REPUDIATED APARTHEID, AND EXPRESSED HOPE FOR SELF-DETERMINATION IN NAMIBIA AND ZIMBABWE.

6. IN PUBLIC STATEMENTS SOARES STRESSED THAT PORTUGAL IS NOW TOTALLY INTEGRATED INTO EUROPE, A MEMBER OF NATO AND THE COUNCIL OF EUROPE AND SOON TO BE A MEMBER OF THE EEC. HE EMPHASIZED WILLINGNESS OF US-EUROPEAN CONSORTIUM TO LEND MORE THAN A BILLION DOLLARS. HIS MESSAGE EXTOLLED THE LEGITIMACY HIS GOVERNMENT HAD OBTAINED FOR PORTUGAL AFTER THE ISOLATION OF THE SALAZAR ERA. SOARES TOLD CONGRESS: "PORTUGAL CAN BEST SERVE THE IDEALS OF ITS COMMUNITY WITH BRAZIL AND AFRICA TO THE

DEGREE IN WHICH IT IS BETTER ABLE TO SITUATE ITSELF
AS A COUNTRY INTEGRATED IN EUROPE."

7. DEFENSE MINISTER MIGUEL ALSO MET WITH OPPOSITES IN
BRAZILIAN ARMED FORCES. MIGUEL TOLD THE PRESS BRAZILIAN
OFFICERS WERE INTERESTED IN THE MILITARY ROLE IN THE
PORTUGUESE REVOLUTION AND THE TYPES OF INFILTRATION
WITH WHICH THE PORTUGUESE ARMED FORCES HAD TO DEAL.
MIGUEL'S EFFORT TO REASSURE THE BRAZILIAN MILITARY
COMPLEMENTED THOSE OF SOARES. DEFENSE MINISTER TOLD
REPORTERS: "THE VISIT SERVED TO REINFORCE OLD TIES, ELIMINATE
SUSPICIONS AND CLARIFY POSITIONS; AND IT CAN BE
CONSIDERED THAT THESE OBJECTIVES WERE FULLY ACHIEVED."

8. ECONOMIC ASPECTS: IN THE MAJOR ECONOMIC PROVISION
OF THE COMMUNIQUE BRAZIL OPENED A FIFTY-MILLION
DOLLAR LINE OF CREDIT FOR PORTUGAL, WHICH PROMISED A
SIMILAR ARRANGEMENT FOR BRAZIL. THE COMMUNIQUE ALSO
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PROVIDED FOR AN INTERGOVERNMENTAL GROUP WHICH WOULD
EXAMINE THE JOINT INVESTMENT SITUATION AND REPORT IN
45 DAYS, PROBABLY LEADING TO SOME SOLUTION OF PROBLEMS
RELATED TO BRAZILIAN INVESTMENTS CONFISCATED BY THE
PORTUGUESE REVOLUTION OF 1974 AND THE REGISTRATION OF
THE SOCIEDADE FINANCEIRA DE PORTUGAL'S INVESTMENTS IN
BRAZIL.

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9. COMMUNIQUE ALSO ANNOUNCED THAT THE LUSO-BRAZILIAN ECONOMIC COMMISSION WOULD MEET IN JUNE 1977 AFTER TECHNICAL LEVEL PREPARATIONS INCLUDING THE LUSO-BRAZILIAN BUSINESS COMMITTEE. THE PARTIES ANNOUNCED THEIR DECISION TO WRAP UP A MARITIME TRANSPORTATION AGREEMENT REGULATING SHIPPING BETWEEN THE TWO COUNTRIES, AN EXCHANGE OF INFORMATION ABOUT JOINT VENTURES, AND TO STUDY INDUSTRIAL COOPERATION. FOREIGN MINISTER SILVEIRA SUGGESTED THAT A HYDROLOGY AGREEMENT WOULD BE WELL RECEIVED BY BRAZIL SINCE PORTUGAL USES ADVANCED IRRIGATION TECHNIQUES.

10. IN DISCUSSIONS DESIGNED TO REASSURE RIO AND SAO PAULO INDUSTRIALISTS SOARES EMPHASIZED THAT WHILE PORTUGAL IS SOCIALIST IT IS ALSO OPEN TO FOREIGN INVESTMENT. "WE ACCEPT THE RULES OF THE MARKET ECONOMY," HE SAID, "AND THE PROOF THAT WE ACCEPT THESE RULES IS THAT LIMITED OFFICIAL USE

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OUR POLITICAL PLAN IS ORIENTED TO THE INTEGRATION OF PORTUGAL INTO THE EUROPEAN ECONOMIC COMMUNITY." SOARES "GUARANTEED" THAT PRIVATE PROPERTY WOULD BE RESPECTED IN PORTUGAL AND THAT THE GOVERNMENT WOULD NOT IMPOSE ANY MEASURE AGAINST THE REMITTANCE OF PROFITS.

11. IMMIGRATION: SOARES WAS FRUSTRATED IN HIS EFFORT TO OBTAIN BRAZILIAN AGREEMENT TO ACCEPTING A LARGE NUMBER OF THE REFUGEES FROM AFRICA IN PORTUGAL. GOB TOLD PORTUGUESE SEVERAL DAYS BEFORE VISIT THEY WOULD NOT PERMIT A MAJOR INFUX OF PORTUGUESE REFUGEES TO JOIN THE ESTIMATED 35,000 IMMIGRANTS FROM ANGOLA AND MOZAMBIQUE. BRAZILIANS STRESSED CONCERN ABOUT THEIR WORSENING ECONOMIC SITUATION AND MAY ALSO FEAR POSSIBLE STRAIN IN THEIR RELATIONS WITH EX-PORTUGUESE-EMPIRE AFRICAN COUNTRIES. GOB LET IT BE KNOWN, HOWEVER, THAT JOAO LIMA, THE PORTUGUESE SECRETARY OF IMMIGRATION, WOULD VISIT BRAZIL IN FEBRUARY 1977 TO DISCUSS THE PLACEMENT OF PORTUGUESE LABOR. FOREIGN MINISTER SILVEIRA EMPHASIZED THAT, IN ACCORDANCE WITH PRESENT LEGISLATION, BRAZIL WOULD CONTINUE TO ACCEPT A LIMITED NUMBER OF PORTUGUESE IMMIGRANTS WHOSE SKILLS WERE NEEDED.

12. CULTURAL/TECHNICAL ASPECTS: COMMUNIQUE ANNOUNCED THAT BOTH LUSO-BRAZILIAN MIXED CULTURAL COMMISSION AND MIXED COMMISSION ON SCIENTIFIC AND TECHNICAL COOPERATION WOULD MEET IN BRASILIA IN JUNE 1977 TO DISCUSS FUTURE COOPERATION. THE COMMUNIQUE ALSO ANNOUNCED THAT TWO DELEGATIONS HAD AGREED TO BRAZILIAN TECHNICAL ASSISTANCE TO OPEN A SCHOOL OF BUSINESS AND PUBLIC ADMINISTRATION IN PORTUGAL.

13. PORTUGUESE COLONY: THE 450,000 BEDROCK CONSERVATIVE PORTUGUESE COLONY IN BRAZIL GAVE SOARES A LUKEWARM RECEPTION. PM WAS CLEARLY IRRITATED AT HAVING TO DEFEND HIMSELF TO THE COLONY AS AN ANTI-COMMUNIST. SOARES' MESSAGE TO THE LIMITED OFFICIAL USE

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PORTUGUESE IN BRAZIL WAS THAT THEY COULD ONCE AGAIN BE PROUD OF PORTUGAL AND SHOULD TRUST THE COUNTRY, INVEST IN IT AND, IF THEY WERE TECHNICIANS PORTUGAL NEEDED, RETURN. O ESTADO'S CARLOS CONDE, WHO ACCOMPANIED SOARES WROTE: "ONE CANNOT BELIEVE HE HAS ENTIRELY CONVINCED HIS LISTENERS. IT IS ONE THING TO WIN IN A DEBATE AGAINST SALAZARISM, A THESIS WHICH TODAY IS TOTALLY INDEFENSIBLE. IT IS ANOTHER TO CHANGE THE THINKING OF A COLONY THAT IS CONSERVATIVE AND QUITE IMPERVIOUS TO PROMISES AND EXPLANATIONS." SOARES TOLD REPORTERS THAT DEALING WITH THE PORTUGUESE COLONY HAD BEEN THE MOST DIFFICULT PART OF HIS TRIP.

14. NUCLEAR ENERGY AND URANIUM: BOTH SIDES STATED THERE WERE POSSIBILITIES FOR PORTUGAL TO EXPORT URANIUM TO BRAZIL (REF B). O ESTADO DECEMBER 16 QUOTED FOREIGN MINISTER SILVEIRA AS INDICATING AN AGREEMENT COVERING THE PURCHASE OF PORTUGUESE URANIUM WOULD BE RECEIVED WITH GREAT PLEASURE BY THE BRAZILIAN GOVERNMENT, BUT SILVEIRA APPARENTLY REVERSED HIS POSITION THE NEXT DAY. SOARES TOLD A NEWS CONFERENCE OF DECEMBER 17 THAT PORTUGUESE URANIUM PRODUCTION HAD BEEN DISCUSSED SUPERFICIALLY BUT THAT THE POSSIBILITIES OF AN AGREEMENT DEPENDED ON BRAZILIAN REQUIREMENTS.

15. COMMENT: FROM THE PERSPECTIVE OF BOTH SIDES THE VISIT WAS COSMETIC EFFORT TO PROMOTE LEGITIMACY AND RESPECTABILITY OF REGIMES. AS AN AUTHORITARIAN REGIME WITH AN IMPROVING HUMAN RIGHTS RECORD OVER THE LAST YEAR, THE GEISEL GOVERNMENT HELPED ITS IMAGE BY RECEIVING THE VICE PRESIDENT OF THE SOCIALIST INTERNATIONAL. AS JORNAL DO BRASIL PUT IT, THE PORTUGUESE "COULD FACILITATE UNDERSTANDINGS BETWEEN THE BRAZILIAN AND WEST EUROPEAN GOVERNMENTS, SINCE NOT INFREQUENTLY MANY OF

THESE GOVERNMENTS LIMIT THEIR COMMITMENTS IN ORDER NOT
TO DEFY PUBLIC OPINION IN THEIR RESPECTIVE COUNTRIES."
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16. FROM GOP SIDE SOARES VISIT GAVE OPPORTUNITY TO
PORTRAY PORTUGAL AS NOW ACCEPTABLE EUROPEAN PARTNER
AFTER YEARS OF ISOLATION IMPOSED BY ANTI-SALAZAR FEELING
AND ALSO TO RENEW TRADITIONAL RELATIONSHIP BY
DEMONSTRATING THAT GOP HAS EMBARKED ON COURSE AWAY
FROM RADICALISM OF RECENT PAST. PRINCIPAL ACHIEVEMENT
OF VISIT WAS AS SOARES SAID UPON DEPARTURE, "THE
ESTABLISHMENT OF A CLIMATE OF CONFIDENCE AND FRATERNITY
BETWEEN THE TWO COUNTRIES." END COMMENT.
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